AGREEMENT SECURING FEDERAL MATCH FUNDS

THIS AGREEMENT is made and entered into this _____ day of _____, 2003, by and between Leon County, Florida, a political subdivision of the State of Florida, hereinafter referred to as the "County" and the State of Florida, Agency for Healthcare Administration, hereinafter referred to as "ACHA".

I. Funds

1. In accordance with the General Appropriations Act of F/Y 2003 – 2004, enacted by the Florida Legislature in regular session, the County and ACHA agree that the County shall remit to ACHA monies for the purpose of securing federal matching funds through the Medicaid Upper Payment Limit (MUPL) special Medicaid payment program, in an amount not to exceed $1 million.

2. The County shall transfer payments of funds to ACHA in the following manner:

   A. The first quarterly payment of an amount not to exceed $250,000, covering the months of July, August, and September, 2003, shall be due and payable to ACHA upon receipt of the first quarterly invoice received by the County from ACHA;

   B. The second quarterly payment of an amount not to exceed $250,000, for the months of October, November, and December, 2003, shall be due and payable to ACHA upon receipt of the second quarterly invoice received by the County from ACHA;

   C. The third quarterly payment of an amount not to exceed $250,000 for the months of January, February, and March, 2004, shall be due and payable to ACHA upon receipt of the third quarterly invoice received by the County from ACHA;

   D. The fourth quarterly payment of an amount not to exceed $250,000 for the months of April, May, and June, 2004, shall be due and payable to ACHA upon receipt of the fourth quarterly invoice received by the County from ACHA;

3. ACHA shall make its best efforts to secure federal matching funds through the Medicaid Upper Payment Limit (MUPL) Special Medicaid Payment program. If, for any reason ACHA

12

is unable to obtain such federal matching funds, ACHA shall transmit and return to Leon County all monies previously transferred to ACHA, within five business days of ACHA being notified by the MUPL Special Medicaid Payment program of its denial to match such funds.

4. If ACHA is successful in obtaining federal matching funds, it shall transfer such funds, together with the funds received by the County, to Tallahassee Memorial Healthcare, Inc., within 10 business days of receipt of same from the Center for Medicare and Medicaid Services.

II. Utilization of Funds

1. The County and ACHA hereby agree that all funds remitted to ACHA by Leon County shall only be used for the provision of Medicaid funded health services to the people of Leon County.

2. The utilization of the provision of Medicaid funded health services will be accomplished through the following Medicaid programs:

   A. The removal of inpatient and outpatient reimbursement ceilings for teaching, specialty and community health education programs hospitals;

   B. Increase the annual cap on outpatient services for adults from $500 to $1,500;

   C. Special Medicaid payments to rural hospitals, trauma centers, graduate medical education programs, primary care services, and other Medicaid participating hospitals;

   D. Special Medicaid payments to hospitals that provide enhanced services to low-income individuals.

3. The county confirms that there are no pre-arranged agreements (contractual or otherwise) between the respective counties, hospital districts, and/or the hospitals to re-direct any portion of the Medicaid supplemental payments in order to satisfy non-Medicaid activities.

12

III. Records

1. The County and ACHA agree that ACHA shall maintain all necessary records and supporting documentation applicable to Medicaid health services covered by this Agreement. Further, the County shall have full and complete access to such records and the supporting documentation, at all reasonable times.

IV. Term

1. This Agreement shall be for a period of one year, commencing on July 1, 2003, through June 30, 2004. This Agreement may be renewed annually after the initial term upon the mutual consent of both parties hereto and upon such terms and conditions as may be negotiated.

V. Miscellaneous

1. **Assignment:** The parties shall not assign any portion of this Agreement without first obtaining the written consent of the non-assigning party. Any assignment made contrary to the provisions of this section shall be cause for termination of the Agreement and, shall not convey any rights to the assignee.

2. **Entire and Complete Agreement:** This Agreement constitutes the entire and complete Agreement of the parties with respect to the obligations required hereunder. This Agreement, unless provided hereunto the contrary, may be modified only by written agreement duly executed by the parties with the same formality as this Agreement.

3. **Applicable Law:** The law of the State of Florida shall govern the validity, interpretation, construction, and performance of this Agreement.

4. **Venue:** Venue for all actions at law or in equity shall lie in Leon County, Florida.

5. **Severability:** In the event that any provision of this agreement shall, for any reason, be determined to be invalid, illegal, or unenforceable in any respect, the parties hereto shall negotiate in good faith and agree to such amendments, modifications, or supplements of

or to this Agreement or such other appropriate actions as shall, to the maximum extent

practical in light of such determination, implement and give effect to the intentions of the

parties, as reflected herein, and the other provisions of this Agreement shall, as amended,

modified, supplemented, or otherwise affected by such actions, remain in full force and

effect.

IN WITNESS WHEREOF the parties have duly executed this Agreement on this _____ day of

_____, 2003.

WITNESSES: State of Florida Agency for Healthcare
                                              Administration

_____   By:_____
                                                  Kenneth L. Thurston, CPA
                                                  Assistant Deputy Secretary for Medicaid
_____   Finance

                                              Date:_____

                                              LEON COUNTY, FLORIDA

                                              BY:_____
                                                  Jane Sauls, Chairman
                                                  Board of County Commissioners

ATTESTED BY:

Bob Inzer, Clerk of Circuit Court

BY:_____

Approved as to Form:

COUNTY ATTORNEY'S OFFICE
LEON COUNTY, FLORIDA

By:_____
    Herbert W.A. Thiele, Esq.
    County Attorney

12